

bly. It provides a clearer and more desirable method for introducing tax legislation in the General Assembly.

At present there are nine counties, and in the future, with a smaller and reapportioned General Assembly as we have already provided for, there will be even more than nine counties without an individual representative in Annapolis.

It will be difficult for those counties, if not impossible, to attain from the General Assembly those taxing powers necessary to fund the newer, more extensive functions and services which we hope the counties will provide their citizens by virtue of the entire local government article. That essentially is the thrust of this article.

Moreover, the compromise proposal will provide considerable visibility and responsibility at the local level for the imposition of local taxes. The people of the county will have an opportunity to object to the imposition of a new tax at the county council level, before the General Assembly is asked to pass upon the question.

The only expert witnesses presented to the Committee on Local Government on this particular question were Dr. Paul Cooper, Director of the Fiscal Research Corporation and Mr. Albert Ward, Assessor of the Department of Taxes and Assessments. Both came before our Committee prepared to say that the tax powers should be clearly exempted from the shared powers concept, and that the General Assembly should delegate tax powers to the counties.

When told of this compromise proposal, and all of its ramifications, which are set out in the memorandum attached to the amendment, Dr. Cooper and Mr. Ward indicated that they not only considered this an acceptable proposal, but more desirable than that which the Committee had recommended.

They recognized the advantage of retaining in the counties the initiative and responsibility for deciding the advisability of imposing these taxes. Moreover, there are many local taxes, which are collected by the State on behalf of the local subdivisions, and this procedure would indicate to the citizens of the county who actually was imposing the tax.

I should say that my proposal also retains the grandfather clause and the selective withdrawal clause, which is retained in the committee recommendation.

This compromise proposal protects the very thing that Delegate Proposal 387

seeks to protect: plenary power in the General Assembly over local tax matters, to be certain that they will not be detrimental to the surrounding jurisdictions, or to business and industry or the excellent credit rating of the State.

I, therefore, submit to this body that this compromise proposal does all which the Committee seeks for it to do, but retains the initiative, advisability and the workability of the shared powers concept with the counties.

THE CHAIRMAN: The Chair recognizes Delegate Moser to speak in opposition to the amendment.

DELEGATE MOSER: Mr. Chairman, ladies and gentlemen, I rise to oppose the amendment proposed by Delegate Needle.

The Committee, as all of you are aware, spent a great deal of time on the question of how the power to tax should be handled.

The final vote in favor of continuing the express grant of powers was adopted by a ten to seven vote, with two abstentions. This is contained in 7.05 of Committee Recommendation LG-1.

I will read it. Relevant language in lines 13 through 25, on page 3 of Committee Recommendation is as follows: "a county may exercise any power other than judicial power, and power to tax," and in the last sentence, beginning at line 20, "a county may exercise such tax powers as may be granted to it by law, and may continue to exercise any tax powers granted to it prior to the effective date of this article, unless any of these powers is subsequently denied to it by law."

This is what the Committee chose, after several days of consideration.

I think that while there may be no harm in Delegate Needle's proposal it is unnecessarily complicated and something that we do not need in the new Constitution. I therefore hope that the Committee of the Whole will vote against the amendment.

THE CHAIRMAN: Does any other delegate desire to speak in favor?

Delegate Marvin Smith.

DELEGATE M. SMITH: Mr. Chairman, if Delegate Needle would yield for a question, I may have a question.

THE CHAIRMAN: Does Delegate Needle yield to a question?

DELEGATE NEEDLE: Yes.

DELEGATE M. SMITH: I have some